

Introduced by Senator Rubio

February 15, 2011

An act to add Section 14093.11 to the Welfare and Institutions Code, relating to postsecondary education.

LEGISLATIVE COUNSEL'S DIGEST

SB 347, as amended, Rubio. Postsecondary education: graduate medical instruction. ~~education payments: Medi-Cal.~~

Existing law establishes the University of California which is administered by the Regents of the University of California. The University of California is the only public postsecondary segment authorized to provide graduate instruction in medicine.

Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid Program provisions. Existing law authorizes the department, to the extent permitted by federal law, to administer the Medi-Cal program, in part, through various types of managed care plans.

This bill would require the department, to the extent permitted by federal law, to include in its capitation rates paid to managed health care plans, as defined, an amount sufficient for the plans to make defined graduate medical education payments to providers contracting with the managed health care plans. This bill would require the department to seek all necessary federal approvals to implement these provisions.

~~This bill would state the intent of the Legislature to enact legislation to provide more adequately funding for graduate instruction in medicine.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 14093.11 is added to the Welfare and
2 Institutions Code, to read:
3 14093.11. (a) For purposes of this section, the following
4 definitions shall apply:
5 (1) “Graduate medical education payments” or “GME
6 payments” means Medi-Cal payments made to providers to help
7 cover the costs of training residents in an approved residency
8 program. For the purposes of this section, GME payments include
9 both direct and indirect graduate medical education costs.
10 (2) (A) “Managed health care plan” means a health care
11 delivery system that manages the provision of health care and
12 receives prepaid capitated payments from the state in return for
13 providing services to Medi-Cal beneficiaries. Managed health
14 care plans include county organized health systems and entities
15 contracting with the department to provide services pursuant to
16 two-plan models and geographic managed care. Entities providing
17 these services contract with the department pursuant to any of the
18 following:
19 (i) Article 2.7 (commencing with Section 14087.3).
20 (ii) Article 2.8 (commencing with Section 14087.5).
21 (iii) Article 2.81 (commencing with Section 14087.96).
22 (iv) Article 2.91 (commencing with Section 14089).
23 (B) “Managed health care plan” also includes any of the
24 following:
25 (i) Mental health plans contracting to provide mental health
26 care for Medi-Cal beneficiaries pursuant to Part 2.5 (commencing
27 with Section 5775) of Division 5.
28 (ii) Primary care case management plans operating pursuant
29 to Article 2.9 (commencing with Section 14088).
30 (iii) Long-Term Care Demonstration Projects for All-Inclusive
31 Care for the Elderly operating pursuant to Chapter 8.75
32 (commencing with Section 14590).
33 (b) To the extent permitted by federal law, the department shall
34 include in its capitation rates paid to managed health care plans

1 *an amount sufficient for the plans to make GME payments to*
2 *providers contracting with the managed health care plans.*
3 *(c) The department shall seek all necessary federal approvals*
4 *to implement this section.*

5 ~~SECTION 1. It is the intent of the Legislature to enact~~
6 ~~legislation to provide more adequately funding for graduate~~
7 ~~instruction in medicine.~~